



RBA:
CITY OF AUSTIN
RECOMMENDATION FOR BOARD ACTION

AGENDA ITEM NO: 1
AGENDA DATE: 9/8/08
PAGE: 1 OF 2

SUBJECT: Approve a resolution approving the Fiscal Year 2008-2009 Austin Housing Finance Corporation Grant Operating Budget in the amount of \$8,508,140, and, Housing Assistance Fund Budget in the amount of \$697,865, for a total budget of \$9,206,005, authorizing the development of program guidelines for the named housing programs for Fiscal Year 2008-2009, and establishing administrative approval limits for the General Manager

AMOUNT & SOURCE OF FUNDING: The sources to fund the annual Austin Housing Finance Corporation (AHFC) budget include (1) Grant Operating Budget \$930,357 from the City of Austin's Neighborhood Housing and Community Development Housing Operating Fund, \$202,624 from the City's Housing Trust Fund, \$250,000 from the City's University Neighborhood Overlay-Housing Trust Fund, \$550,000 from the City's S M A R T (Safe, Mixed-income, Accessible, Reasonably-priced, Transit-oriented) Housing™ Capital Improvement Project Fund, \$3,689,698 from the City's Housing and Urban Development (HUD) HOME Grant, \$2,307,708 from the City's HUD Community Development Block Grant, \$41,137 from the City's HUD American Dream Down Payment Grant, \$259,381 from the City's HUD Community Development Block Grant Program Income Revolving Loan Fund, \$277,235 from the City's HUD HOME Program Income, (2) \$697,865 from AHFC's Housing Assistance Fund Program Income

FISCAL NOTE: Attached

REQUESTING **DIRECTOR'S**
DEPARTMENT: Austin Housing Finance Corporation **AUTHORIZATION: _____**

FOR MORE INFORMATION CONTACT: Margret Shaw, Treasurer, Austin Housing Finance Corporation, 974-3108

PRIOR BOARD ACTION: None

PRIOR COUNCIL ACTION:

By this action the Board adopts the 2008-2009 Grant Operating Budget and Housing Assistance Fund Budget for the Austin Housing Finance Corporation (AHFC) The annual budget resolution also directs staff to implement program guidelines for the budgeted housing programs, authorizes the transfer of budget authority from one line to another in limited amounts, and authorizes the General Manager to administratively approve certain projects in amounts less than \$300,000 (\$250,000 for real estate sales or acquisitions)

The Austin City Council created the AHFC in 1979 as a public non-profit corporation to facilitate the financing and development of affordable housing for low and moderate-income residents. AHFC administers affordable housing programs. U.S. Department of Housing and Urban Development (HUD) grant funds are the bulk of AHFC's grant funds. The AHFC Housing Assistance fund was established in 1988 from a residual value bond program that provided \$7.5 million in initial funding.

AHFC provides housing solutions through programs and projects. The AHFC goals for Fiscal Year 2008-2009 are:

1. Optimize opportunities for quality affordable housing in Austin
2. Provide leadership and expertise to promote affordable housing in Austin
3. Increase the sustainability of AHFC

In addition to administering bond programs, AHFC administers the Homebuyer Program, the Rental Housing Program, and the Owner-Occupied Housing program. AHFC is the responsible entity for the production goals of S M A R T Housing™. AHFC is also currently administering the Mortgage Credit Certificate Program, which provides tax credits of up to \$2,000 per year for the life of a mortgage loan for first-time homebuyers with limited incomes.

Employees of the City's Neighborhood Housing and Community Development Office manage the operations of AHFC through an annual service agreement. AHFC offices are located in the Neighborhood Housing and Community Development Office.

RESOLUTION AHFC NO.

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
AUSTIN HOUSING FINANCE CORPORATION:**

- 1 The Board of Directors of the Austin Housing Finance Corporation (AHFC) approves the Grant Operating Budget and the Assistance Budget for the Fiscal Year 2008-2009, beginning October 1, 2008 and ending September 30, 2009, attached to this resolution.
- 2 Except as provided in Paragraph 3, the general manager may authorize the use of funds
 - (a) in the Grant Operating Budget,
 - (b) in the Assistance Budget,
 - (c) remaining unspent at the close of Fiscal Year 2007-2008 associated with budgeted programs, and
 - (d) that is federal program income generated by AHFC during Fiscal Year 2008-2009 and previous fiscal years
- 3 The general manager may only authorize the use of funds if
 - (a) the amounts are available and are used for the programs and purposes in the Grant Operating Budget or the Assistance Budget,
 - (b) the activity for which funds are spent is eligible under a budgeted program's requirements,

- (c) current AHFC Program Guidelines permit the use; and
 - (d) the general counsel approves the form of the contract for the activity
- 4 The general manager must obtain Board approval to authorize
 - (a) a contract expenditure amount greater than \$300,000,
 - (b) acquisition of an interest in real estate valued at more than \$250,000, and
 - (c) sale or transfer of an interest in real estate with an appraised fair market value exceeding \$250,000
- 5 The general manager may not amend budgeted amounts under the Housing and Urban Development (HUD) Consolidated Plan (Plan), filed with HUD as required by 24 C F R 91, unless.
 - (a) the expenditure of previously unbudgeted income does not require reprogramming under the Plan, and
 - (b) the general manager files a revised Grant Operating Budget or Assistance Budget reflecting the new program income
- 6 The general manager may administratively transfer amounts in the Grant Operating Budget or the Assistance Budget funded with federal funds from one line item to another line item if
 - (a) an amount transferred from the Grant Operating Budget or Assistance Budget does not exceed the budgeted source program line item amount by
 - 1 ten percent for a line item funded by federal

Community Development Block Grant funds, or
11 twenty-five percent for a line item funded with other
federal funds, and

- (b) after the transfer, the general manager
 - 1 files a copy of the revised budget reflecting the transfer,
and
 - 11 notifies HUD of the transfer or change, if federal law
requires that HUD be notified

7 Except as provided in Paragraph 8, the general manager may
temporarily administratively transfer amounts in the Grant Operating
Budget or the Assistance Budget between line items if the funds
transferred are refunded to the source program before the earlier of

- (a) the time the funds are required to be used in the source
program; or
- (b) September 30, 2009.

8 The general manager may not temporarily administratively transfer
amounts under Paragraph 7 if

- (a) the transfer of the funds requires reprogramming under the Plan, or
- (b) an amount transferred is equal to or greater than 50 percent of the
source program line item amount in the Grant Operating Budget or
Assistance Budget

9 The general manager may establish revolving Community
Development Block Grant funds and Home Investment Partnerships

Program (HOME) income amounts for a budgeted program under applicable federal, state, and City of Austin requirements

10 The general manager may promulgate and amend AHFC Program Guidelines The general manager may not expend funds for an AHFC program prior to the effective date of the AHFC Program Guidelines

11 The general manager may designate a person to act on his behalf to implement the actions approved by this resolution

ADOPTED: _____, 2008

ATTEST: _____
Shirley A Gentry
Secretary

AUSTIN HOUSING FINANCE CORPORATION
GRANT OPERATING AND CORPORATION OPERATING BUDGET
FY 2008-2009
Exhibit A

	Funding Source	Funding FY08-09	Estimated Households to be Served
SOURCES OF FUNDS			
Transfer From City of Austin (COA)	Housing Trust Fund	202,624	
	UNO - Housing Trust Fund	250,000	
	General Fund	930,357	
	S M A R T Housing CIP	550,000	
		<u>1,932,981</u>	
Grant Proceeds	CDBG	2,307,708	
	EDI		
	ADDI	41,137	
	HOME	3,689,698	
		<u>6,038,543</u>	
Program Income	CDBG - Rev Loan	259,381	
	CDBG - PI		
	HOME	277,235	
	CIP	-	
	HOME Match	-	
		<u>536,616</u>	
Total Source of Funds		<u><u>8,508,140</u></u>	

USES OF FUNDS

HOUSING DEVELOPMENT

Assisted Housing

Tenant-based rental assistance	HOME	567,000	
	PI (HOME)	-	
	HTF		
		<u>567,000</u>	<u>115</u>
Subtotal TBRA			
Housing for Persons with HIV/AIDS			
<i>Subtotal, Assisted Housing</i>		<u><u>567,000</u></u>	<u><u>115</u></u>

Rental Housing

Rental Development Services

Rental Hsg Development Assistance	HOME	700,000	
	PI (HOME)	-	
	CDBG	275,000	
	PI (CDBG)	-	
	HOME (CHDO CR)	479,415	
	UNO	250,000	
	GF-CIP	-	
	GF	166,896	
	HTF	202,624	
		<u>2,073,935</u>	<u>175</u>
Subtotal, Rental Housing Dev Assist			
Architectural Barrier Program	CDBG	230,000	90
	GF	74,645	
	GF-CIP	-	1,500
Voluntary Compliance Agreement			
Anderson Hill Redevelopment	HOME	-	-
<i>Subtotal Rental Housing</i>		<u><u>2,378,580</u></u>	<u><u>1,765</u></u>

AUSTIN HOUSING FINANCE CORPORATION
GRANT OPERATING AND CORPORATION OPERATING BUDGET
FY 2008-2009
Exhibit A

	Funding Source	Funding FY08-09	Estimated Households to be Served
<u>Homebuyer Services</u>			
<u>Homebuyer Lending Assistance</u>			
Down Payment Assistance	HOME	613,803	
	PI (HOME)	277,235	
	HTF	-	
	ADDI	41,137	
Subtotal, Homebuyer Lending Assistance		932,175	50
<u>Homeownership Development</u>			
Acquisition & Development	CDBG	165,508	
	HOME	248,263	
	CDBG-Rev Loan	-	
	GF-CIP	-	
	GF	111,264	
	HOME Match	-	
	HOME (CHDO)	-	
	PI (HOME)	-	
Subtotal Acq & Development (owner)		525,035	50
CHDO Operations Loans	HOME (CO)	125,000	5
Juniper/Olive Street Housing Project	PI (CDBG)	-	7
Anderson Hill Homeownership	PI (HOME)	-	-
	PI (CDBG)	-	-
Subtotal Anderson Hill Homeownership		-	7
Subtotal Homeownership Development		650,035	62
Subtotal Homebuyer Services		1,582,210	112
<u>Owner-Occupied Housing</u>			
<u>Housing Rehabilitation Services</u>			
Architectural Barrier Program	CDBG	937,200	360
	GF	427,336	
Emergency Repair Program	CDBG	700,000	475
	GF	-	
Materials Grants Program	HTF	-	20
Homeowner Rehabilitation Loan Program	CDBG-Rev Loan	259,381	
	PI (HOME)	-	
	GF	25,000	
	HOME	956,217	25
Subtotal, Homeowner Moderate Rehab		1,240,598	25
Subtotal, Owner-Occupied Housing		3,305,134	880
HOUSING POLICY			
S M A R T Housing	GF	125,216	
S M A R T Housing Review Team	GF-CIP	550,000	1,200
S M A R T Housing Initiative	EDI	-	
Subtotal, Housing Policy		675,216	1,200
HOUSING BOND PROGRAMS			
Single Family Bond Programs		-	15
Multi Family Bond Programs		-	
Subtotal Housing Bond Programs		-	15
SUBTOTAL, Housing		8,508,140	4,087
COMMUNITY DEVELOPMENT			
<u>Neighborhood Revitalization (Public Services)</u>			
Homebuyer Counseling	HTF	-	230
Subtotal, Neighborhood Revitalization (Public Services)		-	230
Total, All Programs		8,508,140	4,317

Austin Housing Finance Corporation
Housing Assistance Fund Budget
Fiscal Year 2008-2009
(for the period October 1, 2008, through September 30, 2009)
EXHIBIT B

Source of Funds

Housing Assistance Fund Sales Proceeds	0
Fees	150,000
Fund Balance	547,865
Total Source of Funds	\$ <u>697,865</u>

Use of Funds

Bond Program	152,705
Housing Development and Administration	545,160
Total Use of Funds	\$ <u>697,865</u>